

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0555-01
Bill No.: HB 81
Subject: Education, Elementary and Secondary: Teachers
Type: Original
Date: February 27, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	(\$2,941,554)	(\$647,130)	(\$789,514)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **State Courts Administer** and the **Department of Public Safety - Highway Patrol** stated that the proposal would not directly affect their agencies.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the State Board of Education could require as many as 8 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$492 for FY 2002. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of Department of Elementary and Secondary Education stated that provisions of the proposal requiring school districts to ensure that criminal history background checks, including finger print, were conducted for all "pupil contact" individuals would cause costs to those districts.

Department of Elementary and Secondary Education officials stated that there were 133,707 school district employees who would be checked under terms of the proposal. (8,159 Custodians, 10,502 Food Service, 10,025 Teacher Aides, 13,000 Bus Drivers, 7,809 Secretaries, 8,648 Other, and 75,564 certified Staff). They estimated costs of a background check which includes a finger print check at twenty-two dollars (\$22).

Costs to school districts for the initial background checks would be \$2,941,554.

The average turnover rate for the abovementioned classes of employees is twenty-two percent (22%) per year; therefore Department of Elementary and Secondary Education officials estimate an additional 29,415 checks in the second year the proposal would be in effect and 35,887 checks in the third year.

Additionally, the bill allows for informal resolution of cases or other matters involving certificate
ASSUMPTION (continued)

holders by consent agreement, agreed settlement, or voluntary surrender of the certificate of

license to teach. It is anticipated that costs associated with hearings will be reduced by some amount through the reduction in the number of hearings that occur during the course of a year. Officials would not expect savings to exceed \$100,000 in a given year.

Officials of the **Department of Corrections** have not responded to this proposal; however, **Oversight** assumes that the addition of a Class A misdemeanor would not result in new inmates and that there would be not be enough persons on probation due to the proposal to increase costs to the Division of Probation and Parole by as much as \$100,000 in a given year.

Oversight assumes, for purposes of this fiscal note, that savings to Department of Elementary and Secondary Education and costs to Department of Corrections would not be material.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
SCHOOL DISTRICTS			
<u>Costs - Background Checks</u>	<u>(\$2,941,554)</u>	<u>(\$647,130)</u>	<u>(\$789,514)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would change the process of revoking, suspending or denying teachers' licenses and require that certain school district employees undergo a background check, including a fingerprint check.

Contested cases and other matters involving certificate holders, licenses or applicants could be informally resolved by consent agreement, agreed settlement or voluntary surrender of the certificate or license.

The proposal would define "pupil contact individuals" who would be required to undergo
DESCRIPTION (continued)

background checks and would require school district employees and school board members who had direct knowledge of charges or convictions of any certificate holder that would result in

license revocation or denial to report that knowledge to the superintendent, who would notify the Department of Elementary and Secondary Education. Employees who made disclosures could not be sued for doing so. Failure to report knowledge would be a class A misdemeanor.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Public Safety - Missouri State Highway Patrol
State Courts Administer
Secretary of State

Not Responding: Department of Corrections

A handwritten signature in black ink, appearing to read "Jeanne Jarrett", with a stylized, cursive script.

Jeanne Jarrett, CPA
Director
February 27, 2001